

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 2905-01  
BILL NO.: HB 1094  
SUBJECT: Education, Higher: Community College Funding  
TYPE: Original  
DATE: April 6, 2000

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*A redistribution of funding to community colleges based on enrollment could result.

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **State Tax Commission** assume the proposal would result in no fiscal impact to the agency.

Officials from the **Office of Administration - Budget and Planning** assume the proposal would result in no fiscal impact to the agency; however, it could result in increased funding to the colleges.

Officials from the **Coordinating Board For Higher Education (CBHE)** assume the bill specifies a new method of dividing increased appropriations. They assume the proposal does not affect what the levels of increased appropriations could be in the aggregate; although, it could result in fiscal impact, both positive and negative on individual community colleges. Therefore, the proposal could result in a redistribution of funding to community colleges based on enrollment.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**A redistribution of funding to community colleges based on enrollment could result.**

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

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DESCRIPTION

The proposal would change the calculation of state funding for community colleges. Factors in the calculation would include a minimum tax levy and guaranteed per full-time equivalent enrollment payment amount.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Coordinating Board For Higher Education  
Office of Administration - Budget and Planning  
State Tax Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett".

Jeanne Jarrett, CPA  
Director  
April 6, 2000